

# **PORTAGE ADULT EDUCATION APPLICATION FOR FINANCIAL SUPPORT**

**Date of Filing:** November 1, 2007

**Applicant:** Portage Adult Education c/o Portage Township School Corporation

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**Applicant's legal status:** Portage Adult Education (PAE) is a Public Educational Institution under the governance of Portage Township School Corporation (PTS), K-12 Public School Corporation, an Indiana Governmental Unit.

## **Project Description: Executive Summary**

For 45 years, Portage Adult Education (PAE) has led the efforts to meet adult literacy needs in Northwest Indiana. PAE has grown from a program comprised of a few nighttime classes into the comprehensive, six-county program it is today, the second largest in the state.

Each year, approximately 3,000 NW Indiana residents participate in one of the program's six main components: Adult Secondary Education (ASE- GED and adult high school) Adult Basic Education (ABE,) English as a Second Language (ESL,) Family Literacy, Workforce Education, and Continuing Education. (APPENDIX I)

ASE students have two choices. Some (58%) enroll at Portage Adult High School, a fully accredited high school program, in order to earn their high school diploma. Average annual enrollment is 306 students, 59% from Porter County and 39% from Lake County. Other ASE students (42%) take classes at one of PAE's 24 adult learning centers with the goal of earning their GED. In 2006 – 2007, PAE graduated 535 students with their high school diploma or GED.

PAE's adult learning centers are located in various community buildings and three correctional facilities in Jasper, LaPorte, Lake, Newton, Porter, and Starke County and administered by a certified teacher. Enrollment at PAE adult learning centers is comprised of ASE (37%), ABE (51%), and ESL (12%) students. Teachers assess student's entry skill level using either the TABE (Tests of Adult Basic Education) or CASAS (Comprehensive Adult Student Assessment System). More than 50% of the adults enrolled in PAE classes enter with skill levels below the 6<sup>th</sup> grade level. Teachers help adult learners establish an Individualized Learner Plan and set core educational goals such as gaining employment, earning secondary credit, or advancing to post-secondary education or training.

In response to data linking children's success in school with the educational level of their parents, PAE began a family literacy program in 1992. CAPABLE, the only program of its type in Porter County, offers free childcare, transportation, and ABE or ASE instruction to parents of children under the age of five. Average enrollment includes 25 parents and 55 children. 50% of the enrolled parents enter with a grade-level equivalency lower than 6<sup>th</sup> grade and 95% of them complete an educational level. 25% earn a GED.

In 2006, PAE applied for and received state and federal grant dollars to administer on-site ESL and ABE educational programs at Porter and Lake County businesses. In 2007, we provided customized classes to 32 employees, raising their average educational level by the equivalent of 3 grade levels after 40 – 60 hours of instruction. Research shows that a 10% educational gain (approximately one grade level) provided the highest increase in employee productivity (8.6% - 11%) compared to other incentives such as increased capital stock (3.4% - 3.9%) or increased hours worked (5.6% - 6.3%).

Finally, PAE also offers continuing education classes such as computer training and Conversational Spanish and is host to an apprenticeship program for employees from a consortium of steel industries. PAE is also an official GED testing site.

### **Economic Impact Statement**

Low literacy levels are costly and have significant economic impact on this region considering the following facts for NW Indiana:

- 287,409 (40%) adults function below the literacy level needed to be gainfully employed

- 94,903 adults over the age of 25 (18.1%) do not have a high school diploma or GED
- 22% of 18-24 year olds have not completed high school

High school dropouts contribute to the Federal and state tax revenues at one-half the rate and earn on the average \$7,400 less annually than a high school graduate. Only 55% of dropouts are employed compared to 74% of high school graduates. The economic impact of low educational levels are reflected in poverty and unemployment rates, median annual earnings, annual average expenditures as well as higher expenditures for food stamps, housing assistance, and other forms of public assistance. Compare the average annual cost of adult education of \$769 to that of incarceration, \$27,500, unemployment, \$15,000, and public assistance, \$15,000.

Businesses incur the costly impact of low literacy rates through higher rates of errors, accidents and waste, and employee turnover and absenteeism. The region is also limited to the types of jobs and business that locate here due to the educational level of our current labor force. All of these are factors that affect a company's bottom line.

The rise in the number of non-English speakers to this region is of particular concern when looking at economic impact. Statistics from the Indiana Business Research Center and the US Census identify non-English speakers as the most rapidly growing segment of the population. The region as a whole had an influx of 22,304 individuals since 1990 whose language barriers prevent them from achieving their workforce potential. Of the 253 students enrolled in ESL classes, 86% completed an educational level according to post-testing data.

### **Quality of Life Impact Statement**

Educational levels affect all aspects of a person's quality of life. There is a direct correlation between higher educational attainment levels and lower unemployment, higher standards of living, improved success of children's education, health and financial literacy rates, and increased civic and social engagement as outlined on the Quality of Life by Educational Attainment Chart. (APPENDIX II)

In addition to the impact on an individual's quality of life standards, communities also benefit from an increased literacy rates. For example, obtaining a high school diploma or GED increases the rate of homeownership by 11%, annual consumer spending by over \$10,000, and median annual earnings by over \$7,400, all of which raises the property and sales tax base and the revenue to local municipalities. Earning a secondary credit also reduces the overall poverty

rate by 16.5 % lower local and state expenditures on public assistance and associated costs of poverty such as incarceration and unemployment.

The most significant potential of improving social circumstances for residents of NWI are apparent in the effect adult educational levels have on breaking the costly cycle of intergenerational illiteracy. Research has linked children's literacy levels with those of their parents, especially their mothers. Children of parents who have dropped out of school and are unemployed are five times more likely to follow their parents' example. Long-term National Center for Family Literacy studies have found that 51% of adults participating in family literacy programs earned their GED, 43% became employed, compared with 14% before enrolling, and 23% left public assistance.

### **Methodology**

Data for both the Economic Impact and Quality of Life statements were gathered from a number of sources. PAE student and program performance and outcomes are measured quantifiably using one of two assessment tools, TABE or CASAS for pre and post-testing data, attendance records, and graduation rates. The assessment data is used to create an individualized Adult Learning Plan, to customize instruction, and to measure and record student progress throughout the year. Qualifiedly data includes student interviews and follow-up phone calls used to monitor progress toward or achievement of goals. All student and program data is entered in the state data management system I-STAR that generates reports quarterly, by term, and by school year.

Other data was gathered from two extensive studies of literacy and the workforce in Northwest Indiana. "Northwest Indiana Workforce Profile" prepared by the Corporation for a Skilled Workforce for the Center of Workforce Innovations in 2001 (APPENDIX VIII) and "Literacy in Northwest Indiana" conducted by Simons and Strawhun for The Discovery Alliance and Center For Workforce Innovations in 2004 (APPENDIX IX.)

### **Funding Request and Financial Analysis**

Total Program Cost: \$1,703,591

Funds requested from RDA: \$110,000 annually for five years

Total funds from other sources: \$1,603,591 \*

Federal: \$415,077 (Comprehensive, EL/Civics and Outreach Grants)

State: \$956,744

Local: 321,770 \*

Private investment: \$10,000

\* The \$110,000 grant made to PAE /PTS in 2007 was the amount traditionally covered by PTS that exceeded their own incurred costs. This is the amount that is being requested from the RDA.

### **Detailed Explanation of Funds from Other Sources**

Source	Annual Amount	Percentage of Total Budget
<b>Federal</b> Comprehensive Grant EL/Civics Grant Outreach Grant	\$ 354,077 \$ 33,000 \$ 28,000	24.36%
<b>State Funds</b>	\$ 956,744	56.16%
<b>Local</b> Portage Township School Corporation United Way The Discovery Alliance The Center for Workforce Innovation	\$ 203,270 \$ 8,500 \$ 100,000 * \$ 10,000 *	18.89%
<b>Private Investment</b> United Way PAE Designated Contributions Other	\$ 2,000 \$ 8,000	.59%

### **Portage Adult Education's Request before the Board**

When the State of Indiana instituted the Adult Education Act in 1962, they mandated that any program receiving state dollars be operated under the jurisdiction of a public K-12 school corporation. For 45 years, Portage Township School Corporation (PTS) has served that role for Portage Adult Education (PAE). PTS has also historically paid the 20% local maintenance of

effort amount required by recipients of federal grant dollars. An annual shortfall of between \$100,000 and \$150,000 has also been covered by PTS. This shortfall has occurred for a number of reasons. The state funding for adult education has been flat-lined for ten years and has not covered the increased teacher salaries and administrative costs. While many school corporations pay the amount PTS bill them for students from their districts attending Portage Adult High School, many do not. PTS, like all school corporations are faced with the additional financial demands of un-funded and under-funded mandates such as No Child Left Behind and all day kindergarten and can no longer carry this additional expense. PTS Superintendent Berta has publicly stated that PTS will terminate this well respected program at the end of this year (June 30, 2008) unless a long-term solution to this shortfall is found. (APPENDIX III) While Superintendent Berta and PAE Director Siminski have met extensively with state representatives, efforts to solve this funding crisis at the state level have not resulted in any immediate solution to this problem.

If an immediate local solution to this problem is not secured, the NW Indiana will lose the approximately 1.5 million state and federal dollars generated by PAE annually. There will be 535 less high school or GED graduates in this region. There will be almost 3,000 adults without a venue to attain their educational goals.

The request before the RDA is for an outright grant. that will be applied to an education foundation that will guarantee the continuation of adult education in this region. The grant will provide the funds necessary to continue operating while we continue to lobby for a more just and permanent solution at the state level as well as raise funds for an endowment that will provide a source of sustainable revenue that will secure the future of adult education in Northwest Indiana into the future.

### **Project Timeline**

The start date would commence on July 1, 2008 and end on June 31, 2013. The current calendar for PAE includes the beginning and ending dates of each term for Portage Adult High School, GED test dates, ISTEP testing dates, and the date of commencement activities. Other significant annual milestones would include the presentation to the RDA board of annual reports as well as updates on significant new projects and events such as graduation ceremonies in May.

## PORTAGE ADULT EDUCATION 2007-2008 CALENDAR

### July

**July 4-- Independence Day (Bldg Closed)**

July 9-- Summer Session Ends

July 16 & 17-- 5:00 PM GED Testing

### August

August 1 & 2--8:00 AM GED Testing

August 22 & 23--AH Registrations

August 22 & 23--5:00 PM GED Testing

August 17--ABE Staff Meeting

August 27--All Classes Begin

### September

**September 3--Labor Day (Building Closed)**

September 5 & 6-- 8:00 AM GED Testing

Sept. 7-- Time Out for Reading Day (NWILC)

September 12 & 14--5:00 PM GED Testing

September 18, 19, 20--ISTEP GQE Testing

September 19--AH Daytime 1st Term Mid-Term

### October

October 17--AH 1st Term Ends

October 16 & 17--Night Class Mid-Term

October 17 & 18--8:00 AM GED Testing

October 22--AH 2nd Term Begins

October 24 & 25--5:00 PM GED Testing

October 25 & 26-- Fall Break No AH Classes

### November

November 7 & 8-- 8:00 AM GED Testing

November 14 & 15-- 5:00 PM GED Testing

November 15--AH Daytime 2nd Term Mid-Term

**November 22 & 23--Thanksgiving Holiday**

### December

December 5 & 6--8:00 AM GED Testing

December 7--ABE Staff Meeting

December 12--M/W Night Classes End

December 13-- Daytime; T/Th Night Classes End

December 12-13--5:00 PM GED Testing

December 17--Christmas Break Begins

**December 24, 25 & 31--Building Closed**

### January

**January 1--Building Closed**

January 7--ABE Learning Centers Resume Class

January 9 & 10-- AH School Registrations

January 14--AH School Winter Session Begins

January 16 & 17--5:00 PM GED Testing

### February

February 13 & 14-- 8:00 AM GED Testing

**Feb. 15 & 18--Winter Break (Bldg Closed)**

February 20 & 21-- 5:00 PM GED Testing

### March

March 4 & 5--Night School Winter Mid-Term

March 5--AH Daytime 1st Term Ends

March 5 & 6-- 8:00 AM GED Testing

March 6--AH Daytime 2nd Term Begins

March 7--ABE Staff Meeting

March 11, 12, 13--ISTEP/GQE Testing

March 12 & 13-- 5:00 GED Testing

March 21 through March 28--Spring Break

### April

April 16 & 17-- 8:00 AM GED Testing

April 23 & 24-- 5:00 PM GED Testing

### May

May 1--T/Th Nigh School Winter Session Ends

May 5--Daytime & M/W Winter Session Ends

May 7--Spring Session Registrations

May 12--Spring Session Classes Begin

May 13--AH Graduation Practice

May 14 & 15 8:00 AM GED Testing

May 20-- AD School Graduation Ceremony

May 21 & 22 5:00 M GED Testing

**May 26--Memorial Day--(Building Closed)**

### June

June 4 & 5-- 8:00 AM GED Testing

June 9--AH Spring Session Ends

June 6--ABE Staff Meeting

June 11-- AH Summer Registration

June 12-- AH Summer Session Begins

## **Supporting Material**

### **APPENDICES**

- I Program Participation by Entry Level**
- II. Quality of Life by Educational Attainment Chart**
- III. Portage Adult Ed on the Chopping Block**
- IV. Statement of Relationship**
- V. Disclosure Statement**
- VI. Ethics Statements**
- VII. Participation Chart**
- VIII. Northwest Indiana Workforce Profile**
- IX. Literacy in Northwest Indiana**



### APPENDIX I: PROGRAM PARTICIPATION BY ENTRY LEVEL

Educational Functional Level		Grade Level Equivalency	Number Enrolled	Percent of Total
Adult Basic Education (ABE)	ABE Beginning Literacy	0 – 1.9	39	1.9%
	ABE Beginning Basic Ed	2 – 3.9	198	9.6%
	ABE Intermediate Low	4 – 5.9	330	16%
	ABE Intermediate High	6 – 8.9	488	23.6%
Adult Secondary Education (ASE)	ASE Low ( ASC & GED)	9 – 10.9	316	15.3%
	ASE High ( ASC & GED)	11- 12	443	21.4
English as a Second Language (ESL)	ESL Beginning Literacy	0 – 1.9	61	3%
	ESL Beginning			
	ESL Intermediate Low	2 – 3.9	36	1.7%
	ESL Intermediate High	4 – 5.9	48	2.3%
	ESL Low Advanced	6 – 8.9	61	3%
	ESL High Advanced	9 – 10.9	47	2.2%

Source: Portage Adult Education Annual Performance Report 2007

### APPENDIX II: QUALITY OF LIFE BY EDUCATIONAL ATTAINMENT

	Less than a High School Diploma	High School Diploma or GED	Bachelor's Degree
Unemployment Rate	6.8%	4.3%	2.3%
Poverty Rate	31.6%	15.1%	4.4%
Median Annual Employment Earnings	\$19,544	\$26,968	\$44,217
Homeownership Rate	57.5%	68.5%	74.5%
Employed Workers Paid Minimum Wage or Less	5.6%	2%	1.3%
Consumer Spending	\$27,435	\$38,162	\$61,378
Obesity Rate	26%	23%	16%
Voting Rate	27%	40%	61%

Source: US Census Bureau 2000

## APPENDIX III

Date posted online: Thursday, October 18, 2007

### **Portage Adult Ed on the chopping block Board members set to pass resolution in November**

BY JEFF BURTON

Jeff.Burton@nwtimes.com

219.762.1397, ext. 2225

PORTAGE | After six years of struggling to find a stable funding source, the Portage Township School Corp. is ready to give its adult education program the ax.

Board members will vote on a resolution in November providing a firm date for the program's termination, should the state not commit to fund the program.

Superintendent Mike Berta said letters sent to legislators garnered no response, and no clear funding source is in sight for next year.

Board member Tom Pappas said the resolution is a move that has long been coming. "We've tried everything. This board has done absolutely everything we can," Pappas said. "My hope by us cutting the program is that the state would finally step up and say they'll give us the funding."

The district has been subsidizing the program with its own funds originally earmarked for the education of students in grades kindergarten through 12. Board President Terry Hufford said its unfair to Portage students and taxpayers that some school districts don't reimburse Portage Township Schools for their students who attend classes.

"People think we're firing blanks, so people ignore us," Hufford said. "We're talking minimal dollars and they've voted in public meetings that they won't give us a dollar."

Sally Olsen, the board's vice president, said she knows the success the program has brought its graduates.

"It's been so successful. It's a shame because there are so many people that need to advance themselves and this is one of the few programs that can do that," Olsen said.

While the resolution could kill the program, Hufford said he considers it the district's final attempt to save it, and hopes state officials will take notice.

"They'll probably make the trip up to Portage to yell and scream at us, but at least it will get them to the table with us," Hufford said.

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[http://nwtimes.com/articles/2007/10/18/news/porter\\_county/doce8d15634056649d68625...](http://nwtimes.com/articles/2007/10/18/news/porter_county/doce8d15634056649d68625...)

10/18/2007

#### APPENDIX IV

##### **Statement of Relationship**

Portage Adult Education will be coordinated with and not duplicative of services, programs, or activities made available to adults in the community under the federal, state, and local programs including: Workforce Investment Act of 1998, Title I, III, and IV; Vocation and Technical Education Act of 1998; Education of the Handicapped Act; Higher Education Act of 1965; and the Domestic Volunteer service Act.

#### APPENDIX V

##### **Disclosure Statement**

No Portage Adult Education (PAE) or Portage School Corporation (PTS) board or staff member of this applicant agency is related to the RDA board members and employees to the best of our knowledge. No PAE or PTS board or staff member of this applicant agency will participate in, or make recommendations with respect to, an administrative decision regarding this project.

#### APPENDIX VI

##### **Ethics Guideline**

The information provided in this application is accurate and constitutes an honest request for assistance to provide adult education services in Northwest Indiana. The applicant will take necessary steps to ensure equitable access to and participation in its adult education program by addressing the individual needs of program beneficiaries in order to overcome barriers to equitable participation, including barriers based on race, gender, color, national origin, disability, and age. The applicant will not discriminate on the basis of race, color, religion, sex, national origin, age, or handicap as required by the Indiana Civil Rights Act, Public Law 218, Titles VI and VII of the Civil Rights Act of 1964, The Equal Pay Act of 1973, Title IX, and Section 504 of the Rehabilitation Act of 1973.

#### APPENDIX VII

##### **Program Participation**

The applicant is in full accordance with the practices required in Citation IC 36-7.5-2-8((b)). Program participation is as follows:

**By Ethnicity:** White: 64%, Hispanic/Latino 22%, African American 11%, Other 3%

**By Age:** 16 –18 year olds 37%, 19-24 year olds 26%, 25-44 year olds 27%, 45 + 10%

**By Gender:** Male 51%, Female 49%

## Form ST-105

State Form 49065 R/4/8-05

Indiana Department of Revenue  
General Sales Tax Exemption Certificate

Indiana registered retail merchants and businesses located outside Indiana may use this certificate. The claimed exemption must be allowed by Indiana code. Exemption statutes of other states are not valid for purchases from Indiana vendors. This exemption certificate can not be issued for the purchase of Utilities, Vehicles, Watercraft, or Aircraft. Purchaser must be registered with the Department of Revenue or the appropriate taxing authority of the purchaser's state of residence.

Sales tax must be charged unless all information in each section is fully completed by the purchaser. Purchasers not able to provide all required information must pay the tax and may file a claim for refund (Form GA-110L) directly with the Department of Revenue.

Name of Purchaser Portage Township SchoolsBusiness Address 6240 U.S. Highway 6 City Portage State IN Zip 46368

Purchaser must provide minimum of one ID number below.\*

Provide your Indiana Registered Retail Merchant's Certificate  
TID and LOC Number as shown on your Certificate.....0003128970

TID# (10 digits)

014

LOC# (3 digits)

If not registered with the Indiana DOR, provide your State Tax  
ID Number from another State.....

State ID#

State of Issue

\*See instructions on the reverse side if you do not have either number.

Is this a ☐ blanket purchase exemption request or a ☒ single purchase exemption request? (check one)

Description of items to be purchased. \_\_\_\_\_

Purchaser must indicate the type of exemption being claimed for this purchase. (check one or explain)

- ☐ Sales to a retailer, wholesaler, or manufacturer for resale only.
- ☐ Sale of manufacturing machinery, tools, and equipment to be used directly in direct production.
- ☐ Sales to nonprofit organizations claiming exemption pursuant to Sales Tax Information Bulletin #10.  
(May not be used for personal hotel rooms and meals.)
- ☐ Sales of tangible personal property predominately used (greater than 50 percent) in providing public transportation - provide USDOT#.  
A person or corporation who is hauling under someone else's motor carrier authority, or has a contract as a school bus operator, must provide their SS# or FID# in lieu of a State ID# in Section #1. USDOT# \_\_\_\_\_
- ☐ Sales to persons, occupationally engaged as farmers, to be used directly in production of agricultural products for sale.  
Note: A farmer not possessing a State Business License# may enter a FID# or a SS# in lieu of a State ID# in Section #1.
- ☐ Sales to a contractor for exempt projects (such as public schools, government, or nonprofits).
- ☒ Sales to Indiana Governmental Units (agencies, cities, towns, municipalities, public schools, and state universities).
- ☐ Sales to the United States Federal Government - show agency name. \_\_\_\_\_  
Note: A U.S. Government agency should enter its Federal Identification Number (FID#) in Section #1 in lieu of a State ID#.
- ☐ Other - explain. \_\_\_\_\_

I hereby certify under the penalties of perjury that the property purchased by the use of this exemption certificate is to be used for an exempt purpose pursuant to the State Gross Retail Sales Tax Act, Indiana Code 6-2.5, and the item purchased is not a utility, vehicle, watercraft, or aircraft.

I confirm my understanding that misuse, (either negligent or intentional), and/or fraudulent use of this certificate may subject both me personally and/or the business entity I represent to the imposition of tax, interest, and civil and/or criminal penalties.

Signature of Purchaser Sharon QualkenbushDate 5-25-07Printed Name Sharon QualkenbushTitle Director of Finance

The Indiana Department of Revenue may request verification of registration in another state if you are an out-of-state purchaser.  
Seller must keep this certificate on file to support exempt sales.

**PORTAGE TOWNSHIP SCHOOL CORPORATION  
BORAD OF TRUSTEES**

William Fekete	6591 Stillwater Avenue Portage, In 46368
Terry Hufford	5533 Robbins Avenue Portage, IN 46383 <i>Portage Chamber of Commerce</i>
Sally Olsen	71 Diana Road Portage, IN 46368
Glenda Owens	743 Freemont Road Valparaiso, IN 46385 <i>Gabriel's Horn</i>
Thomas Pappas, Jr.	5918 Newport Ave. Portage, IN 46368

**APPROVAL OF GRANT**

We the undersigned hereby attest to the approval of this grant for Portage Adult Education on behalf of

Portage Township Schools  
(legal name of applicant organization)

1. \_\_\_\_\_

Terry Hufford, President, Board of Trustees

2. \_\_\_\_\_

Michael Berta, Superintendent of Portage Township School Corporation

Date Approved 11-1-07

Paula Siminski, Director, Portage Adult Education